

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

COMPETITIVE PRODUCT PRICES
INBOUND COMPETITIVE MULTI-SERVICE AGREEMENTS WITH
FOREIGN POSTAL OPERATORS
UNITED STATES POSTAL SERVICE CONTRACTUAL BILATERAL
AGREEMENT – FY22-2 (MC2010-34)
NEGOTIATED SERVICE AGREEMENT

Docket No.
CP2022-36

**MOTION OF THE UNITED STATES POSTAL SERVICE CONCERNING EXTENSION
OF TIME FOR COMPLYING WITH ORDER NO. 6092**
(April 27, 2022)

In Order No. 6092, the Postal Regulatory Commission (Commission) directed the United States Postal Service (Postal Service) to file certain quarterly reports related to the FPO-USPS Agreement FY22-2. Pursuant to 39 CFR § 3010.162, the Postal Service hereby seeks an extension of time to file these quarterly reports. For the reasons explained below, the Postal Service requests that the submission deadline for the first quarterly report be extended from within 30 days of the completion of the fiscal quarter to within 60 days of the end of Quarters 2 of FY 2022, and that the submission deadline for subsequent quarterly reports be extended from within 30 days of the completion of the fiscal quarter to within 45 days of the end of each subsequent quarter that a report is due. The Postal Service submits that these brief extensions will not prejudice any participant in this matter.

The nature of the relief requested in this Motion conforms to four recent requests regarding similar directives. The Commission granted the relief requested in each of these four motions. On October 15, 2019, the Postal Service filed a motion with a comparable request for an extension from 30 to 60 days to provide certain information

regarding a domestic negotiated service agreement (NSA).¹ The Commission granted this extension.²

Similarly, on November 25, 2019, the Postal Service filed a motion with a comparable request for an extension from 30 to 60 days to provide certain information regarding another domestic NSA.³ The Commission also granted this extension.⁴

Likewise, on March 18, 2021, the Postal Service sought an extension for a requirement to file quarterly reports (in this instance, with regard to a number of international NSAs), from 30 days to 60 days, and also to suspend the Quarter 4 reporting requirement.⁵ The Commission granted this request.⁶

Finally, on April 7, 2021, the Postal Service filed a motion requesting that the Commission modify one directive in its Annual Compliance Determination (ACD) related to a new quarterly summary report for outbound international NSAs.⁷ In its motion, the Postal Service requested that the Commission extend the deadline for filing this report from 30 days to 60 days and also suspend the Quarter 4 reporting requirement. The Commission also granted this request.⁸

In Order No. 6092, the Commission directed the Postal Service to:

¹ USPS Motion to Extend Deadline for Quarterly Reporting, Docket No. CP2017-219, October 15, 2019.

² PRC Order No. 5307, Order on Motions, Docket No. CP2017-219, November 15, 2019.

³ USPS Motion to Extend Deadline for Quarterly Reporting, Docket No. CP2019-211, November 25, 2019.

⁴ PRC Order No. 5332, Order on Motions, Docket No. CP2019-211, December 4, 2019.

⁵ USPS Motion to Extend Deadline for Quarterly Reporting, Docket Nos. CP2020-173, CP2020-174, CP2020-188, CP2020-193, CP2020-197, CP2020-230, CP2020-246, CP2020-263, CP2020-227, CP2020-228, CP2020-177, CP2020-184, CP2020-186, CP2020-190, CP2020-194, CP2020-202, CP2021-57, CP2020-183, CP2020-192, CP2020-200, CP2020-201, CP2020-198, CP2021-49, CP2021-56, CP2020-195, CP2020-199, March 18, 2021.

⁶ See PRC Order No. 5865, Order Granting Motion Requesting Modification of ACD Directive Regarding Outbound Agreements, Docket No. ACR2020, April 13, 2021.

⁷ Motion of the United States Postal Service Requesting Modification of ACD Directive Regarding Outbound Agreements, Docket No. ACR2020, April 7, 2021.

⁸ PRC Order No. 5865, Order Granting Motion Requesting Modification of ACD Directive Regarding Outbound Agreements, Docket No. ACR2020, April 13, 2021.

file quarterly reports on revenues, pieces, and weights for parcels, packets, and EMS under the instant agreement, and to report data for retail and commercial parcels separately. Each quarterly report shall be filed in the instant docket, and within 30 days of the completion of each fiscal quarter, with the first report due May 2, 2022. Additionally, the Commission directs the Postal Service to separately track and report cost data for the two parcel streams in future Annual Compliance Review dockets, in order to assist in the Commission's evaluation of the cost coverage of the FPO-USPS Agreement FY22-2.⁹

There are a number of factors that cause significant challenges to the Postal Service in producing accurate and reliable quarterly information for the FPO-USPS Agreement FY22-2 within 30 days after the close of each quarter. The compilation of the requested data is a complex exercise. In most instances, were the Postal Service to produce the requested quarterly data concerning the FPO-USPS Agreement FY22-2 within 30 days of the close of each quarter, as currently directed in Order No. 6092, the Postal Service would necessarily rely on preliminary data that may change significantly as a result of differences between the preliminary data available within 30 days of the close of each quarter and subsequent reviews and adjustments.

As part of the Postal Service's accounting process for the FPO-USPS Agreement FY22-2, monthly settlement data is based on the Postal Service's PRE-advice of DESpatch (PREDES) messages; however, the Postal Service does not always receive necessary data about inbound parcel volumes from the counterparty Foreign Postal Operator (FPO) to the FPO-USPS Agreement FY22-2, and the Postal Service will, therefore, need to thoroughly review all available data and make any necessary adjustments to the data when the data is received in order to correct and reconcile any

⁹ PRC Order No. 6092, Order Approving Additional Inbound Competitive Multi-Service Agreement with Foreign Postal Operator – FY22-2, Docket No. CP2022-36, January 14, 2022, at 6.

related revenue, pieces, and weight discrepancies. The Postal Service will also need additional time to thoroughly review and prepare the other components of the report requested by the Commission in Order No. 6092.

In preparation for the first report that will cover Quarter 2 of FY 2022, the Postal Service is currently implementing a process that will separately track data for retail and commercial parcels under the FPO-USPS Agreement FY22-2. As a part of this process, the Postal Service will need to manually adjust the data in Foreign Post Settlement (FPS) for parcels under the FPO-USPS Agreement FY22-2 for January, February, and March of FY 2022. An adjustment to related invoices may also be necessary in order to correct any discrepancies by allocating revenue, pieces and weight to the correct retail or commercial subclass. Additionally, the Postal Service will need to reconcile any such manual adjustments with corresponding payments to the counterparty FPO to the FPO-USPS Agreement FY22-2. The Postal Service requests, therefore, an additional 30 days (60 days total from the completion of Quarter 2 of FY 2022) to file the initial quarterly report requested by the Commission in Order No. 6092, and submits that this is a more reasonable deadline for this first quarterly report.

The Postal Service estimates that it will have an established process in place in Quarter 3 of FY 2022 to adjust the data in FPS for parcels under the FPO-USPS Agreement FY22-2, and to reconcile any such adjustments with corresponding payments to the counterparty FPO. The Postal Service requests, therefore, only an additional 15 days (45 days total from the completion of a fiscal quarter) to file the subsequent quarterly reports requested by the Commission in Order No. 6092, and submits that this is a more reasonable deadline for these reports.

For the reasons explained above, the Postal Service requests that the Commission grant the Postal Service's requests in this Motion for an extension of time to file quarterly reports pursuant to the Commission's directives in Order No. 6092.

Respectfully submitted,

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April 27, 2022